

GOVERNMENT OF PUERTO RICO Puerto Rico Electric Power Authority

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February 25, 2011

Mr. John Filipelli Head U.S. Environmental Protection Agency, Region 2 290 Broadway, 25th Floor New York, NY 10007-1866

Sent Via E-Mail: Filippeli.john@epa.gov

RE: Puerto Rico Electric Power Authority

Vía Verde Natural Gas Project

Public Notice Number SAJ-2010-02881 (IP-EWG)

Dear Mister Filipelli:

We want to thank you for the opportunity to meet with you, as well as other US Environmental Protection Agency (EPA) personnel at your offices in Washington DC on February 11, 2011. The meeting was scheduled in an effort to familiarize EPA personnel on the Via Verde Natural Gas Pipeline Project approved at the state level and being evaluated at the federal level at this time. Said project was included together with the Joint Permit Application filed on September 20, 2010 before the US Corps of Engineers Caribbean Office (USACE).

As discussed, the Via Verde project is being designed avoiding any permanent impact to the waters of the United States, mangroves as well as wetlands. Precautions are taken to achieve said goal including the utilization of Horizontal Directional Drill (HDD) technique at major rivers crossings and mangroves, as well as the use of specialized construction techniques to avoid impact to wetlands. All this important information was included in detail in the Environmental Impact Statement (EIS) approved by the Environmental Quality Board (EQB) last November 30, 2010, as part of the established evaluation and approval procedure.

Attached please find translation of chapters 4 and 6, as well as the Introduction and Summary of the approved EIS, as requested by you in an effort to address in detail any concern related with the Via Verde Natural Gas Pipeline Project, in particular those related



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and covered under Section 404 of the Clean Water Act (CWA). (See Attachments 1 to 4) A copy of the documents mentioned above including figures and photos (DVD) will be provided by Eng. Daniel Pagán at the February 28, 2011 meeting.

We are pleased with the opportunity provided to discuss these important subjects in the forthcoming meeting. PREPA's technical personnel is confident that at said meeting, we will have the opportunity to share in great detail the technical considerations included within the design of the Via Verde Project aimed to reduce, as much as possible, any impact into the Waters of the US and systems covered under Section 404 of the CWA.

In the event additional information related with this important project is needed; please do not hesitate to contact Eng. Danny Pagán at 787-382-7330 at your earliest convenience.

Cordially,

Attachments 1 to 4 (EIS Introduction, Summary & Chapters 4 & 6)

c Edgar Garcia (USACE)
Eng. Larry Evans (BC Peabody)
Eng. Daniel Pagan (PREPA)
Eng. Carl Axel P. Soderberg (EPA)
File Via Verde Project

ERS comments on the 92-mile long natural gas pipeline crossing Puerto Rico known as the Via

Verde Natural Gas Pipe Line.

EPA does not agree with the Army Corps of Engineers' determination that the Via Verde Natural Gas Pipe Line does not warrant the development of an Environmental Impact Statement (EIS). As highlighted in the public notice, the project covers 1,672 acres and will traverse 235 rivers and wetlands, covering 369 acres of jurisdictional Water of the United States. Additionally, the projected may affect 32 threatened or endangered species throughout Puerto Rico. The public notice states that the impacts of the project are expected to be temporary in nature, however the impacts on threatened and endangered species could be extensive, as demonstrated by the fact that a formal versus informal Endangered Species Act consultation will be completed for the project. In light of the fact that the consultation has not been completed, and given the span and scope of the project, EPA feels that an EIS is necessary to evaluate the full impact of the project.